The directors present their report on the Australian Physiotherapy Association (APA) and controlled entities for the year ended 31 December 2023. The names of directors in office and their relevant qualifications, experience and special responsibilities at the date of this report are as follows.

DIRECTORS' REPORT

MARK ROUND
CHAIR OF THE BOARD

BAPPSC(PHYSIO), GCERTSPORTSPHYSIO, GRADCERTMGT, GAICD, APAM

Mark Round is the Managing Director of Symmetry Physiotherapy, a multidisciplinary physiotherapy and allied health group in Melbourne that operates out of nine sites.

Mark has been actively involved in APA governance since 2013, when he joined the Victorian branch council, serving as president in 2015 and 2016 before being elected to the APA Board of Directors in 2017. He is currently the chair of the APA Board of Directors, having recently served two years as one of the vice presidents. He is also a member of the Clinical Council of the North Western Melbourne Primary Health Network, is on the Program Advisory Committee for the Victoria University Physiotherapy program and has previously been a Board member of the Australian Physiotherapy Council.

Through these positions, Mark has been involved with many other committees, including the Primary Care Safety and Quality Framework Committee for the Australian Commission on Safety and Quality in Health Care; and the Physiotherapy Return to Work Advisory Group, a working party with the Health Services Disability Group for WorkSafe Victoria and the Transport Accident Commission.

Mark has also been heavily involved in other allied health advocacy and governance work. He was the inaugural chair of the South West Allied Health Network in Melbourne and the allied health representative on the Clinical Leadership Committee for South Western Melbourne Medicare Local. He is a graduate of the Australian Institute of Company Directors.

Special responsibilities

- Australian College of Physiotherapists Committee

SCOTT WILLIS
NATIONAL PRESIDENT

BAPPSC(PHYSIO), GAICD, APAM

Scott Willis graduated as a physiotherapist in 1993 from the University of Sydney. He relocated to rural Tasmania and is the founding co-director of Coastal Physiotherapy, a multidisciplinary physiotherapy clinic focusing on a wide range of areas, including corporate health, outreach, pain management, aged care, the NDIS, Aboriginal health and general private practice services.

Scott has held numerous roles within the APA including national chair of the APA Business group from 2015 to 2018, member of the National Advisory Council from 2015 to 2018 and member of the Tasmania branch council from 2012 to 2018. He was elected to the APA Board of Directors in 2019 and as national president in 2021.

Scott has had extensive experience in policy and health reform, was the first elected allied health board member of General Practice North West (North West Tasmania Division of General Practice) and was appointed to the Tasmanian Medicare Local's Primary Health Care Strategic Advisory Council and the Clinical Advisory Council of Primary Health Tasmania. He is a graduate of the Australian Institute of Company Directors.

He has a significant interest in sustainable health funding and in health policy that's designed to effectively deliver services to all Australians in all areas of the country.

Special responsibilities

- Audit and Risk Committee

Directors' Report

RIK DAWSON
NATIONAL VICE PRESIDENT

BAPPSC(PHTY), BCA, GAICD, APAM, MACP

Rik Dawson graduated from the University of Sydney in 1993 and is a graduate of the Australian Institute of Company Directors. He is an APA Gerontological Physiotherapist who began his career as a paediatric physiotherapist working for NSW Health. In 2001, Rik embarked on an entrepreneurial journey by establishing Agewell, a private practice specialising in aged care, which he successfully managed until its acquisition in 2020. Rik is a PHD candidate at the Institute for Musculoskeletal Health, the University of Sydney. His research interests lie at the intersection of telehealth and physiotherapy, aiming to expand the scope of practice across acute, primary and aged care settings and improve access to physiotherapy. Rik is one of the founding members of the Safe Exercise at Home group that created a website catering to older adults to enable them to exercise safely at home during the COVID-19 pandemic.

Rik has held leadership roles within the APA, serving as the national chair of the Gerontology group and as its National Advisory Council representative. He was also the APA representative on the National Aged Care Alliance from 2014 to 2016. Currently, Rik serves as the APA representative on the Aged Care Quality Standards Committee for the Australian Commission on Safety and Quality in Health Care. Passionate about enhancing physiotherapy's value proposition in healthcare, Rik actively engages with service funders such as state and federal health departments, insurers, researchers and consumers to ensure sustainable funding for physiotherapists. He advocates for evidence-based practice to drive positive outcomes for consumers and to bolster the physiotherapy profession's reputation within the community.

Special responsibilities

- Chair of the Nominations, Remuneration and Governance Committee

PETER TZIAVRANGOS
NATIONAL VICE PRESIDENT

BAPPSC(PHYSIO), GAICD, APAM

Peter Tziavrangos graduated as a physiotherapist from the University of South Australia in 1996. He initially worked in public hospitals in Adelaide and then in the United Kingdom, before returning to Australia to begin work in private practice.

Since 2003, Peter has owned and managed Move for Better Health. His role as Managing Director oversees the provision of allied health services including physiotherapy, exercise physiology, psychology, podiatry and dietetics across multiple sites. He also continues to maintain a small clinical workload.

Peter is a non-executive director on the Australian Physiotherapy Council Board, and an external advisory panel member for physiotherapy programs at the University of South Australia and the University of the Sunshine Coast. He is also a casual lecturer at the University of South Australia.

Prior to his time on the APA Board of Directors, Peter was chair of the APA Business group and participated in multiple working groups for the APA, including the COVID Innovation Work Group, the PHI Work Group and the Allied Health Roundtable Committee as part of the Australian Government's Primary Health Care 10 Year Plan.

Peter is a graduate member of the Australian Institute of Company Directors and a graduate of the Australian Centre for Business Growth. He is currently studying a Master of Business Administration at the University of South Australia.

Special responsibilities

- Audit and Risk Committee
- Chair of the Insurance and Safety Committee

HOLLY BRASHER

BAPPSC(PHTY), MSPORTSPHYSIO, GAICD, APAM, MACP

Holly Brasher is an APA Sports and Exercise Physiotherapist who graduated from the University of Sydney and then completed her Master of Sports Physiotherapy at La Trobe University. Holly spent her early career working in public and private hospitals locally and overseas before moving into private practice. She has experience in sports physiotherapy, musculoskeletal physiotherapy, women's health and working in high-performance environments. Holly is a co-founder and director of SquareOne Physio, a multi-location private practice that operates from two locations in Sydney with a growing team of more than 50 staff.

She has long been an active member of the APA Sports and Exercise national group and has served on the committee of the New South Wales branch of the group since 2013. She was the national chair for the Sports and Exercise group from 2015 to 2018. Holly has been on the APA's National Advisory Council and on numerous working parties and standing committees for the Australian College of Physiotherapists Council. She has detailed knowledge of the Career Pathways development and is in touch with the profession from clinical and training perspectives, as well as from an advocacy point of view. Her biggest achievement was leading the Sports group to include 'Exercise' in its name in 2018.

Holly is passionate about promoting the role of physiotherapists in exercise delivery, creating lifelong careers for physiotherapists and increasing Australian physiotherapists' engagement with the APA. Holly has been on the Board of Directors since 2021 and she looks forward to continuing to advance the profession for the benefit of members and patients.

Special responsibilities

- Audit and Risk Committee
- Chair of the Australian College of Physiotherapists Committee

LEESA CHESSER

Leesa Chesser is an Adelaide-based professional non-executive director who sits on the boards of Neami National, the Adelaide Festival and West Beach Trust. Leesa mentors start-up founders and women in career transition and leadership.

Leesa served as a Minister for Disabilities, Mental Health and Substance Abuse in South Australia during the commencement of the National Disability Insurance Scheme. She studied health economics, health information management and business at the Queensland University of Technology.

Leesa is an alum of the Australian Institute of Company Directors, chairs mentoring programs and was a finalist in the inaugural Future Directors Award 2022, which seeks to recognise board directors pulling their organisations towards a fairer, safer and smarter future. She is a fellow with the Salzburg Global Seminar in health, ageing and gender equity.

Special responsibilities

- Nominations, Remuneration and Governance Committee

Directors' Report

RUTH FAULKNER

BSC(HONS), CA, GAICD

Ruth Faulkner graduated from the University of Warwick in England with first-class honours in accountancy and financial analysis. She went on to qualify as a chartered accountant with a large global accountancy practice in their London office. She is a graduate of the Australian Institute of Company Directors, a member of Chartered Accountants Australia and New Zealand and a recognised CA Risk Specialist.

Ruth lives in Far North Queensland and is a partner in a boutique consultancy practice, Conus Business Consultancy Services. The organisation provides strategy development, risk management, corporate financial management, business advice and mentoring, governance advice, and economic analysis to clients throughout Australia. This gives Ruth a unique insight into the challenges of living and working in a remote regional location and a robust understanding of the Australian business and community environment.

Ruth is an experienced non-executive director, having served on several Queensland and national boards. She served on the inaugural board of the Northern Queensland Primary Health Network for two terms and is currently the board chair of Neami National, a significant mental health non-governmental organisation.

Ruth has extensive experience working with and chairing finance, audit and risk committees. She is passionate about financial sustainability and capacity building within the commercial and for-purpose sectors. Having served on the APA's Audit and Risk Committee since 2017, she was excited to be appointed to the APA Board in 2023.

Special responsibilities

- Chair of the Audit and Risk Committee

MELISSA MCCONAGHY

BAPPSC(PHYSIO), GCERTPH, MHSC FACP, GAICD

Dr Melissa McConaghy is a Specialist Neurological Physiotherapist (as awarded by the Australian College of Physiotherapists in 2010). She holds a Master of Health Science (Neurological Physiotherapy) and a Graduate Certificate in Public Health in addition to her Bachelor of Applied Science (Physiotherapy).

Melissa owns and runs Advance Rehab Centre, a multi-site community neuro rehab service in Sydney, as well as PD Warrior, an education and training program for people living with Parkinson's disease, which is licensed across 10 countries globally. Melissa's 22-year career in physiotherapy has been dedicated to community-based neurorehabilitation in Australia and in developed and developing countries. She presents and educates internationally on topics such as Parkinson's disease, polio, stroke and robotics in rehab.

Melissa has been active in the APA and the Australian College of Physiotherapists in many roles, including serving on the APA's New South Wales branch council, as chair of the New South Wales branch of the APA's Neurology national group and as a national representative, examiner and facilitator at the College. She also sits on the executive committee of the International Neurological Physical Therapy Association of World Physiotherapy.

Melissa was awarded Physiotherapist of the Year in the 2019 Australian Allied Health Awards and Small Business Champion Entrepreneur in the 2020 Australian Small Business Champion Awards. She received a HESTA Impact Award in 2022.

Special responsibilities

- Insurance and Safety Committee
- Nominations, Remuneration and Governance Committee

CATHERINE WILLIS

BAPPSC(PHTY), PGCERTPHTY
(EXERCISE & WOMEN'S HEALTH), APAM, MACP

Catherine Willis has been a proud APA member since her time as a student at the University of Sydney. Having worked across the private and public sectors in a variety of clinical areas, Catherine found her niche and passion for obstetrics and pelvic floor physiotherapy more than 20 years ago. She currently works as a physiotherapy team leader at Royal Brisbane and Women's Hospital and also teaches undergraduate students at Australian Catholic University.

Catherine has made a significant contribution to the APA in her long tenure as a member. In particular, she has been involved in developing and providing quality professional development that is accessible to all members. She offers her ongoing expertise to support the women's, men's and pelvic health career pathway. More recently, as chair of the National Advisory Council, Catherine has showcased her leadership and communication skills, and developed a greater understanding of the needs and priorities of all physiotherapy practice areas.

Catherine has also held positions on the Insurance and Safety subcommittee and the Steering Committee of the Australian College of Physiotherapists. As an APA Board member, Catherine is focused on further strengthening the APA's position as an award-winning member organisation and physiotherapy as a highly valued profession.

Outside of work, Catherine's greatest love is for her two daughters, and she is very proud to be able to demonstrate her values, work ethic and compassion to them.

Special responsibilities

- Nominations, Remuneration and Governance Committee

Directors' Report

Directors' meeting attendance 2023		Meetings attended	Meetings total
Holly BRASHER	Director	6	6
Leesa CHESSER	Non-member Director	6	6
Rik Percival DAWSON	Director	6	6
Ruth FAULKNER	Non-member Director	6	6
Melissa MCCONAGHY	Director	6	6
Amanda MULCAHY	Director*	6	6
Mark ROUND	Director	6	6
Peter TZIAVRANGOS	Director	6	6
Scott WILLIS	Director	6	6

** Retired 31 December 2023*

All directors except those who are non-member directors hold tertiary qualifications in physiotherapy and are members of the Australian Physiotherapy Association. Jennifer Dalitz FCPA GAICD MBA(Exec) BA(Acc) is an independent member of the Audit and Risk Committee. Kay Veitch FAICD FIML CAHRI JP is an independent member of the Nominations, Remuneration and Governance Committee. Vito Giudice is an independent member of the Insurance and Safety Committee.

Company secretary

Craig Maltman BBus CPA is the appointed company secretary.

Objectives of the Australian Physiotherapy Association

The Australian Physiotherapy Association is a not-for-profit company limited by guarantee. The APA is bound by the terms of its Constitution, part two of which outlines the objectives of the Association. The objectives are broad and permit the Association to engage in a wide range of activities focused on members, member services, advocacy, education and quality.

Review of operations and future developments

The focus of the Association throughout 2023 concentrated heavily on supporting our members, advocating for them and focusing on key strategic initiatives that will underpin operations into the future, along with the financial stability of the Association.

The initiatives, as outlined within our strategic plan, cover key deliverables for the establishment of first class career pathways and a strong Australian College of Physiotherapists; the communication of insights about the value of physiotherapy; quality advocacy for specific clinical streams like aged care, the Department of Veterans' Affairs and the National Disability Insurance Scheme; and enhanced value for all members through the provision of support and tools to expand their practices and scope of practice.

Result

The consolidated surplus for the year after income tax was $592,030 (2022 surplus: $1,192,483). The surplus includes the activities of branches and national groups of the Association and of the controlled entity Physiotherapy Research Foundation.

The strong financial result is attributable to a number of factors, including excellent member growth and retention that has increased over the last three years, reflecting the strong recognition of the value of the Association.

Income from online professional development courses and the return of the first clinical APA conference since COVID-19 significantly increased during 2023.

A large one-off bequest was received during 2023, which also contributed significantly to the financial result.

These good financial results have added to the stability of the Association and will enable us to explore and support increased member initiatives, including the continued development of the career pathway and the Australian College of Physiotherapists strategy, the continuation of a member mentor program and the continued improvement and update of professional development material and delivery, both face to face and online. They will also allow us to invest in the upgrade of our internal systems both from a member and staff usage perspective and from an increased overall security environment.

Members' guarantee

Australian Physiotherapy Association is a company limited by guarantee. The 32,682 members (2022: 31,935) of the Association have each undertaken to contribute the sum of 50 cents in the event of the Association being wound up.

Events since the end of the financial year

There are no subsequent events to report.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 19. Signed in accordance with a resolution of the Board of Directors.

29 April 2024

Mark Round
Chair of the Board

Scott Willis
National President

Tel: +61 3 9603 1700
Fax: +61 3 9602 3870
www.bdo.com.au

Collins Square, Tower Four
Level 18, 727 Collins Street
Melbourne VIC 3008
GPO Box 5099 Melbourne VIC 3001
Australia

DECLARATION OF INDEPENDENCE BY ELIZABETH BLUNT TO THE DIRECTORS OF AUSTRALIAN PHYSIOTHERAPHY ASSOCIATION

As lead auditor of Australian Physiotherapy Association for the year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Australian Physiotherapy Association and the entities it controlled during the period.

Elizabeth Blunt

Director

BDO Audit Pty Ltd

Melbourne

29 April 2024

FINANCIALS

Statement of profit and loss and other comprehensive income

for the year ended 31 December 2023

	Notes	Consolidated 2023 $	Consolidated 2022 $
Revenue		20,127,887	17,421,704
Interest received		476,509	210,553
Other income		201,918	55,163
Total Revenue	**3**	**20,806,314**	**17,687,420**
Cost of sales		17,827	19,098
Conference & professional development		3,389,845	2,094,503
Employee costs		11,153,047	9,555,932
Professional services		558,004	487,201
Public relations		164,915	85,685
Marketing expense		466,111	320,093
Information technology expense		765,822	756,068
Travel and meeting expense		565,140	400,115
Publication expense		703,386	647,710
Subscriptions		215,553	203,444
Membership renewal expense		241,957	193,823
PRF grant expense		129,356	7,101
Occupancy costs		323,268	291,534
Depreciation & amortisation expense		348,308	302,685
Amortisation expense on right-to-use assets		274,658	282,111
Finance costs		273,215	239,503
Interest expense on leases		92,429	104,465
Administration expense		44,938	49,248
Other expenses		486,505	454,618
Total Expenses		**20,214,284**	**16,494,937**
Surplus before income tax expense		**592,030**	**1,192,483**
Income tax (expense)/benefit		–	–
Surplus attributable to the members		**592,030**	**1,192,483**
Other comprehensive income			
Revaluation of land & buildings		1,376,000	–
Revaluation of financial assets		373,717	(260,582)
Total comprehensive income for the year attributable to the members		**2,341,747**	**931,901**

The above statement of profit and loss and other comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

for the year ended 31 December 2023

	Notes	Consolidated 2023 $	Consolidated 2022 $
Current assets			
Cash & cash equivalents	5	2,326,099	9,489,586
Financial assets	6	16,675,807	8,726,384
Trade & other receivables	7	207,758	398,499
Inventories		46,700	44,679
Prepayments	8	538,507	608,727
Total current assets		**19,794,871**	**19,267,875**
Non-current assets			
Property, plant & equipment	9	7,054,732	5,865,152
Right-to-use assets	10	734,703	1,009,361
Intangible assets	11	136,323	64,758
Investment property	12	975,000	825,000
Total non-current assets		**8,900,758**	**7,764,271**
Total assets		**28,695,629**	**27,032,146**
Current liabilities			
Trade and other payables	13	813,477	877,251
GST payable		390,762	675,010
Lease liabilities	14	399,456	424,086
Short-term provisions	15	1,634,756	1,552,596
Revenue received in advance	16	7,481,617	7,769,466
Total current liabilities		**10,720,068**	**11,298,409**
Non-current liabilities			
Lease liabilities	14	658,863	922,367
Long-term provisions	15	262,950	199,369
Other	17	100,000	–
Total non-current liabilities		**1,021,813**	**1,121,736**
Total liabilities		**11,741,881**	**12,420,145**
Net assets		**16,953,748**	**14,612,001**
Equity			
Reserves		2,138,732	389,015
Accumulated surplus		14,815,016	14,222,986
Total equity		**16,953,748**	**14,612,001**

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of changes in equity

for the year ended 31 December 2023

	Financial asset revaluation reserve	Asset revaluation reserve	Accumulated surplus	Total
Consolidated balance at 1 January 2022	**–**	**649,597**	**13,030,503**	**13,680,100**
Comprehensive income				
Unrealised loss on financial assets	(260,582)	–	–	(260,582)
Surplus attributable to members	–	–	1,192,483	1,192,483
Balance at 31 December 2022	**(260,582)**	**649,597**	**14,222,986**	**14,612,001**
Comprehensive income				
Land & building revaluation	–	1,376,000	–	1,376,000
Unrealised gain on financial assets	373,717	–	–	373,717
Surplus attributable to members	–	–	592,030	592,030
Total comprehensive income	**373,717**	**1,376,000**	**592,030**	**2,341,747**
Balance at 31 December 2023	**113,135**	**2,025,597**	**14,815,016**	**16,953,748**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of cash flows

for the year ended 31 December 2023

	Notes	Consolidated 2023 $	Consolidated 2022 $
Cash flows from operating activities			
Receipts from members/customers		22,298,437	18,620,174
Payments to suppliers/employees		(21,629,604)	(18,092,736)
Interest received		476,509	210,553
Interest paid for lease		(92,429)	(104,465)
Net cash provided by operating activities		**1,052,913**	**633,526**
Cash flows from investing activities			
Payments for investments		(7,575,706)	(1,346,980)
Proceeds from sale of assets		1,364	750
Payments for plant & equipment	9	(116,926)	(1,307,667)
Payments for intangible assets	11	(121,016)	(56,733)
Net cash provided by (used in) investing activities		**(7,812,284)**	**(2,710,630)**
Cash flows from financing activities			
Payments for lease liabilities		(404,116)	(405,848)
Net cash used in investing activities		**(404,116)**	**(405,848)**
Net decrease in cash held		**(7,163,487)**	**(2,482,952)**
Cash at the beginning of the financial year		9,489,586	11,972,538
Cash at the end of the financial year	5	**2,326,099**	**9,489,586**

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to and forming part of the financial statements

For the year ended 31 December 2023

NOTE 1—Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied, unless otherwise stated.

A. Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards – Simplified Disclosures. This includes compliance with the recognition and measurement requirements of all Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the disclosure requirements of AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities.

The financial statements have been prepared under the historical convention.

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 1(N).

The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The amounts presented in the financial statements have been rounded to the nearest dollar. All amounts are presented in Australian dollars.

The financial statements were authorised for issue on 29 April 2024 by the directors of the Company.

B. Revenue recognition

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Australian Physiotherapy Association expects to receive in exchange for those goods or services.
Revenue is recognised by applying a five-step model as follows:

- identify the contract with the customer
- identify the performance obligations
- determine the transaction price
- allocate the transaction price to the performance obligations
- recognise revenue as and when control of the performance obligations is transferred.

Specific revenue streams

The Australian Physiotherapy Association recognises revenue from the following major sources:

- the sale of membership subscriptions
- the provision of professional development courses and conferences.
- the sale of advertising in publications
- the provision of sponsorship agreements and the endorsement of commercially available products.

Sale of membership subscriptions

The subscription year runs from 1 January to 31 December. Subscriptions are payable annually in advance or by monthly instalments. Only those membership subscriptions that are attributable to the current financial year are recognised as revenue. Subscriptions that relate to future periods are shown in the statement of financial position as subscriptions and fees in advance under the heading of 'Revenue received in advance'.

The amount paid by each member is fixed according to the category of membership chosen and the amount paid entitles the member to all benefits of membership to the Association. Membership is for a full year and is only cancellable in specific circumstances upon request.

Where a request for cancellation is granted, a pro rata return of the subscription fee is granted less a cancellation fee or future remaining monthly instalments are cancelled upon the payment of a cancellation fee.

The provision of professional development courses and conferences
The Australian Physiotherapy Association runs professional development courses and conferences for members and non-members. The event will provide clinical or professional training for the attendee. A fixed price for each event is advertised depending on whether the purchaser is a member or non-member.

The revenue is recognised by the Australian Physiotherapy Association at the time of the running of the event.

The amounts paid by attendees are only refundable according to a refund policy set by the Australian Physiotherapy Association up to and prior to the running of the event.

The sale of advertising income
The Australian Physiotherapy Association publishes a number a publications for its members. Advertising space is sold to customers on a set annual rate card according to the size of the advertisement and the relevant publication that the advertisement is appearing in.

The revenue is recognised by the Australian Physiotherapy Association at the time the publication is published and made available to members.

The amounts paid by advertisers are only refundable according to a refund policy set by the Australian Physiotherapy Association up to a certain time prior to publication.

The provision of sponsorship agreements and the endorsement of commercially available products
The Australian Physiotherapy Association enters into sponsorship arrangements with companies where an agreed fee is received for the acknowledgement of that company in relation to agreed obligations, events or publications. The recognition of the revenue is done upon the performance of all contractual obligations set out within the commercial contract.

The Australian Physiotherapy Association receives revenue for the provision of an agreed logo to be placed on certain products that stipulates that the Association has endorsed that product. The recognition of the revenue is done upon the performance of all contractual obligations set out within the commercial contract.

Interest income is recognised as interest accrued, taking into account the yield on the financial asset.

Income from investments is recognised in the period it is earned.

C. Income tax

Revenue from membership subscriptions and other member-generated income is not assessable income for the purpose of determining taxable income. Other income that is not generated by members is not sufficient to incur any income tax expense in the current or prior year reporting periods.

D. Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

E. Receivables

The terms of trade are 30 days from invoice date. Receivables are recognised and carried at original invoice amount less any allowance for any uncollectible amounts. An estimate for expected credit loss is made when collection of the full amount is no longer probable. Expected credit losses are written off when identified.

F. Employee benefits

Short-term employee benefits
Short-term employee benefits are expensed as the related service is provided, and are recognised for the amount expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised.

Long-term employee benefits
The liabilities for long service leave and annual leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured at the present value of the estimated

NOTE 1 CONTINUED...

future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy any vesting requirements. Those cash flows are discounted using market yields on corporate bonds with terms to maturity that match the expected timing of cash flows attributable to employee benefits.

G. Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings including that classified as investment property are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic but at least triennial valuations by external independent valuers, less subsequent depreciation for buildings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity unless those increases offset previous revaluation decrements taken to the profit or loss.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.
The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the economic entity commencing from when the asset is held ready for use.

The depreciation rates for each class of depreciable assets are:

Class of fixed assets	Depreciation method	Depreciation rate
Buildings	Straight line	2%
Leasehold improvements	Straight line	16%
Plant & equipment	Straight line	10-20%
Office furniture & equipment	Straight line	10-25%
Artworks	Straight line	2.50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

H. Investment property

Investment property is shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction) based on annual valuations by external independent valuers.

Changes in the value of investment property are recorded in profit or loss.

I. Leases

The entity as lessee

At inception of a contract, the entity assesses if the contract contains or is a lease. If there is a lease present, a right-of- use asset and a corresponding lease liability is recognised by the entity where the entity is a lessee. However, all contracts that are classified as short-term leases (ie, a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the entity uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date
- the amount expected to be payable by the lessee under residual value guarantees
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options
- lease payments under extension options, if the lessee is reasonably certain to exercise the options
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the entity anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

J. Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the statement of cash flows on a gross basis except for the GST component of investing and financial activities, which are disclosed as operating cash flows.

K. Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the equivalent to the date that the Group commits itself to either the purchase or sale of the asset (ie, trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

Fair value through other comprehensive income

Equity instruments

The Company has a managed fund investment in listed and unlisted entities.

The Company has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to retained earnings and is not reclassified to profit or loss.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

NOTE 1 CONTINUED...

Impairment of financial assets
Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost; and
- contract assets.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Other financial assets measured at amortised cost
Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities
The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

L. Intangible assets

Software
Software is recorded at cost. Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between one and five years. It is assessed annually for impairment.

The amortisation rates for each class of intangible assets are:

Class of intangible assets	Amortisation method	Amortisation rate
Membership database	Straight line	20%
Membership website	Straight line	33.3%
Computer software	Straight line	25%

M. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

N. Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key judgements—expected credit losses
The directors assess the recoverability of all accounts receivable at the end of the reporting period. All amounts that are identified at the end of the reporting period as unlikely to be recovered are included in the provision for expected credit losses.

Key judgements—long service leave
The calculation of the provision for long service leave requires judgements to be made in relation to the probability of providing and or paying employees long service leave entitlements in future periods. These judgements are made based on historical information available and past experiences within the Company.

Key estimates—fair value assessments of land and buildings and investment property
The estimation of the fair values of investment properties are done at each reporting date using observable data on recent transactions and rental yields for similar properties. Real estate investments do not have quoted prices and when appropriate

the directors use professional appraisals performed by independent, professionally qualified property valuers to base their estimates.

O. Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

P. Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Q. Principles of consolidation

These are the financial statements of Australian Physiotherapy Association (the ‘Company’, the ‘Association’ or ‘APA’) and its controlled entities as described in Note 18 (collectively, the ‘Group’ or the ‘Consolidated Group’).

A controlled entity is any entity over which the Company is exposed, or has rights, to variable returns from its involvement with that entity and has the ability to affect those returns through its power over that entity. All controlled entities have a reporting date of 31 December and accounting policies that are harmonised with that of the Company.
All transactions and balances within the Group are eliminated on consolidation, including any unrealised gains or losses arising on transactions between Group entities. During the year there were no changes in the composition of entities that consolidated into the Group.

Financials

NOTE 2–Parent information

The following information has been extracted from the books and records of the parent and has been prepared in accordance with Australian Accounting Standards.

Statement of financial position	2023 $	2022 $
Assets		
Current assets	18,161,913	17,767,786
Total assets	**27,062,671**	**25,532,057**
Liabilities		
Current liabilities	10,690,563	11,259,404
Total liabilities	**11,612,376**	**12,381,140**
Equity		
Accumulated surplus	13,322,915	12,713,290
Total equity	**15,450,295**	**13,150,917**

Statement of comprehensive income

Total surplus attributable to the members	**651,992**	**1,091,499**
Total comprehensive income	**2,341,745**	**879,529**

Guarantees

The Australian Physiotherapy Association has not entered into any guarantees, in the current or previous financial year, in relation to the debts of its subsidiaries or controlled entities.

Contingent liabilities

A bank guarantee is held in relation to the leased premises located in New South Wales and Queensland. The value of the bank guarantee is $218,200 and will be released upon termination of the lease agreement.

Contractual commitments

As at 31 December 2023, the Australian Physiotherapy Association had arranged via its broker, BMS Risk Solutions Pty Ltd, for the purchase of a master professional indemnity insurance policy for its members for the 2024 financial year.

The Australian Physiotherapy Association is committed to a payment of $7,064,530 to BMS Solutions Pty Ltd in February 2024 for the insurance premium, statutory charges and associated brokerage fees.

As at 31 December 2023, the Australian Physiotherapy Association had not entered into any contractual commitments for the acquisition of property, plant and equipment.

NOTE 3–Revenue

	2023 $	2022 $
Revenue from operating activities		
Members' subscriptions	12,339,340	11,569,923
Advertising income	675,613	778,798
Sales of merchandise	29,359	29,520
Commissions, sponsorships & endorsements	667,769	784,586
Professional development & conferences	5,556,804	3,950,018
Donations received	531,493	57,939
Interest from financial institutions	476,509	210,553
Rent	51,918	50,163
Investment property revaluation	150,000	5,000
Sundry	327,509	250,920
Total revenue	**20,806,314**	**17,687,420**

NOTE 4–Surplus before income tax expenses

Surplus before income tax expense has been determined after:	2023 $	2022 $
Expenses		
Cost of sales of merchandise	17,827	19,098
Professional development & conferences	3,389,845	2,094,503
Employee benefits	10,146,990	8,692,977
Superannuation expense	904,221	745,480
Finance costs	273,215	239,503
Auditors remuneration		
—audit of financial report	38,639	34,404
Depreciation on non-current assets		
—buildings, plant and equipment	298,857	252,023
—right-of-use assets	274,658	282,111
Amortisation on intangible assets		
—course development	49,451	50,662
Rental expense on leases		
—minimum lease payments	14,533	5,401

NOTE 5–Cash and cash equivalents

	2023 $	2022 $
Cash on hand	867	1,735
Cash at bank	2,325,232	9,487,851
	2,326,099	**9,489,586**

NOTE 6–Financial assets

	2023 $	2022 $
Fixed interest term deposits	11,346,630	3,882,883
Financial assets accounted for at fair value through profit or loss	–	3,658
Financial assets accounted for at fair value through other comprehensive income	5,329,177	4,839,843
	16,675,807	**8,726,384**

In the prior year, a managed fund held by the PRF was classified as a financial asset at fair value through profit or loss. These movements in fair value were consolidated into the financial statements of the Group. During the year ending 31 December 2022, the majority of this managed fund was realised, with funds reinvested into a new managed fund, where the irrevocable election was made to classify this new financial asset at fair value through other comprehensive income. At 31 December 2022, $3,658 of the original fund remained classified as a financial asset at fair value through profit or loss.

NOTE 7–Trade and other receivables

	2023 $	2022 $
Trade debtors	195,625	386,368
Less provision for expected credit losses	(5,000)	(5,000)
	190,625	**381,368**
Other debtors	17,133	17,131
	207,758	**398,499**

NOTE 8– Prepayments

	2023 $	2022 $
Prepayments	538,507	608,727
	538,507	**608,727**

NOTE 9–Property, plant and equipment

	2023 $	2022 $
Land & buildings at independent valuation	5,650,000	4,350,000
Less accumulated depreciation	–	(38,000)
	5,650,000	4,312,000
Total land & buildings	**5,650,000**	**4,312,000**
Plant & equipment at cost	669,271	592,716
Less accumulated depreciation	**(396,429)**	**(305,909)**
	272,842	286,807
Office furniture & equipment at cost	1,773,470	1,741,163
Less accumulated depreciation	**(648,220)**	**(481,763)**
	1,125,250	1,259,400
Artwork at cost	13,167	13,167
Less accumulated depreciation	**(6,527)**	**(6,222)**
	6,640	6,945
Total equipment	**1,404,732**	**1,553,152**
Total property, plant & equipment	**7,054,732**	**5,865,152**

A. Valuation of land and buildings

The value of land and buildings is based on valuation assessed by Charter Keck Cramer as per their report dated 30 December 2023.

B. Movements in carrying amounts

Movements in the carrying amounts of property, plant and equipment between the beginning and the end of the current financial year.

Land & buildings		
Balance at the beginning of the year	4,312,000	4,350,000
Additions	–	–
Disposals	–	–
Revaluation	1,376,000	–
Depreciation expense	(38,000)	(38,000)
Carrying amount at the end of the year	**5,650,000**	**4,312,000**
Equipment		
Balance at the beginning of the year	1,553,152	463,214
Additions	116,926	1,307,667
Disposals	(4,489)	(3,706)
Depreciation expense	(260,857)	(214,023)
Carrying amount at the end of the year	**1,404,732**	**1,553,152**
Total		
Balance at the beginning of the year	5,865,152	4,813,214
Additions	116,926	1,307,667
Disposals	(4,489)	(3,706)
Revaluation	1,376,000	–
Depreciation expense	(298,857)	(252,023)
Carrying amount at the end of the year	**7,054,732**	**5,865,152**

NOTE 10–Right-of-use assets

The Group's lease portfolio includes buildings. These leases have an average of 3.1 years as their lease term.

Options to extend or terminate

The option to extend or terminate are contained in several of the property leases of the Group. These clauses provide the Group opportunities to manage leases in order to align with its strategies. All of the extension and termination options are only exercisable by the Group. The extension options and termination options which were probable to be exercised have been included in the calculation of the right-of-use asset.

Right-of-use assets at cost	3,011,851	2,646,986
Less accumulated depreciation	(2,277,148)	(1,637,625)
Total right-of-use assets	**734,703**	**1,009,361**
Right-of-use assets		
Balance at the beginning of the year	1,009,361	1,003,672
Additions	–	287,800
Depreciation expense	(274,658)	(282,111)
Carrying amount at the end of the year	**734,703**	**1,009,361**
Total cash outflows for leases	**404,116**	**405,848**

NOTE 11–Intangible assets

	2023 $	2022 $
Course development at cost	198,324	94,335
Less accumulated amortisation	(62,001)	(29,577)
	136,323	64,758
Total intangible assets	**136,323**	**64,758**
Movements in carrying amounts		
Opening balance	64,758	58,687
Additions	121,016	56,733
Amortisation charge	(49,451)	(50,662)
Closing balance	**136,323**	**64,758**

NOTE 12–Investment property

	2023 $	2022 $
Properties at fair value	**975,000**	**825,000**

The value of investment property is based on valuation assessed by Charter Keck Cramer as at 30 December 2023.

NOTE 13–Trade and other payables

	2023 $	2022 $
Trade creditors	556,699	686,665
Other creditors and accruals	256,778	190,586
	813,477	**877,251**

All trade and other payables are non-interest bearing unsecured and payable at their maturity which is within 60 day terms.

NOTE 14–Lease liabilities

	2023 $	2022 $
Current		
Lease liabilities	399,456	424,086
	399,456	**424,086**
Non-current		
Lease liabilities	658,863	922,367
	658,863	**922,367**

NOTE 15–Provisions

	2023 $	2022 $
Current		
Annual leave	598,877	532,360
Long service leave	1,035,879	1,020,236
	1,634,756	**1,552,596**
Non-current		
Long service leave	136,011	80,515
Make-good	126,939	118,854
	262,950	**199,369**

NOTE 16–Revenue received in advance

	2023 $	2022 $
Current		
Members' subscriptions in advance	6,835,809	7,016,959
Course fees in advance	635,808	731,045
Commissions & endorsements in advance	10,000	21,462
	7,481,617	**7,769,466**

Members' subscriptions in advance has been recognised to the extent of the monies received before 31 December 2023. It does not reflect income due to be received from remaining instalments, where a member has elected to pay by instalments, across 2024.

NOTE 17–Other liabilities

	2023 $	2022 $
Non-current		
Other liabilities	100,000	–
	100,000	–

A donation of $100,000, to be held in perpetuity, was received. The interest earned from that donation is to be used to fund grants to researchers in the gerontology and neurology fields.

NOTE 18–Related party transactions

During the year, no related party transaction was recorded.

Honorariums paid to the directors are disclosed in Note 20–Key management personnel compensation.

NOTE 19–Controlled entities

	Principal activity	Place of incorporation	% Owned	% Owned
Parent entity:				
Australian Physiotherapy Association		Australia	–	–
Controlled entity:				
Physiotherapy Australia Pty Ltd	Dormant	Australia	100	100
Physiotherapy Research Foundation	Trust	Australia	100	100

The shares in the above companies are held by members of the Board of Directors on behalf of the Australian Physiotherapy Association except for the Physiotherapy Research Foundation.

The Australian Physiotherapy Association is the trustee company for the Physiotherapy Research Foundation.

NOTE 20–Key management personnel compensation

	2023 $	2022 $
Total	**694,385**	**663,894**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. Key management personnel compensation includes remuneration of the CEO and reimbursements and honoraria paid to directors.

NOTE 21–Contingent assets and liabilities

A bank guarantee is held in relation to the leased premises located in New South Wales and Queensland. The value of the bank guarantees is $218,200 and will be released upon termination of the lease agreement.
The Company had no other contingent assets and liabilities as at 31 December 2023 and 31 December 2022.

NOTE 22–Contractual commitments

As at 31 December 2023 the Australian Physiotherapy Association had arranged via its broker, BMS Risk Solutions Pty Ltd, for the purchase of a master professional indemnity insurance policy for its members for the 2024 financial year.

The Australian Physiotherapy Association is committed to a payment of $7,064,530 to BMS Risk Solutions Pty Ltd in February 2024 for the insurance premium, statutory charges and associated brokerage fees.

NOTE 23–Financial risk management

The Group's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 Financial Instruments as detailed in the accounting policies to these financial statements, are as per Notes 5—Cash and cash equivalents, 6—Financial assets, 7—Trade and other receivables and 13—Trade and other payables.

NOTE 24–Events after reporting period

There are no subsequent events to report.

NOTE 25–Company details

The registered office of the company is:
Australian Physiotherapy Association Level 1, 1175 Toorak Road
Camberwell VIC 3124
ABN 89 004 265 150

Directors' declaration

The directors of the Australian Physiotherapy Association declare that:

1. The financial statements and notes, as set out on pages 21 to 36, are in accordance with the Corporations Act 2001 and:

   (a) comply with Australian Accounting Standards – Simplified Disclosures; and

   (b) give a true and fair view of the financial position as at 31 December 2023 and of the performance for the year ended on that date of the Association and the Consolidated Group;

2. In the directors' opinion there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

The declaration is made in accordance with a resolution of the Board of Directors.

29 April 2024

Mark Round
Chair of the Board

Scott Willis
National President

Tel: +61 3 9603 1700
Fax: +61 3 9602 3870
www.bdo.com.au

Collins Square, Tower Four
Level 18, 727 Collins Street
Melbourne VIC 3008
GPO Box 5099 Melbourne VIC 3001
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Australian Physiotherapy Association

Report on the Audit of the Financial Report

Opinion

We have audited the consolidated financial report of Australian Physiotherapy Association (the Company) and its subsidiaries (the Group), which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of Australian Physiotherapy Association, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the directors' report, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

BDO

Elizabeth Blunt
Director

Melbourne, 29 April 2024

The Physiotherapy Research Foundation

Financial statements for the year ended 31 December 2023

	Notes	Consolidated 2023 $	Consolidated 2022 $
Income statement			
Income			
Donations	1	205,641	197,939
Interest		21,231	5,757
Managed fund distributions		35,258	32,201
Sponsorship		46,379	68,646
Sundry		6,757	8,196
Total income		**315,266**	**312,739**
Expenditure			
Grants		131,156	11,301
Professional services		52,088	22,310
Campaign		–	–
Marketing		789	1,818
Administration		148,828	176,326
Total expenditure		**332,861**	**211,755**
Operating surplus/(deficit)		**(17,595)**	**100,984**
Investment revaluation		59,964	(48,612)
Total operating surplus/(deficit)		**42,369**	**52,372**
Balance sheet			
Current assets			
Cash & cash equivalents		80,476	194,954
Financial assets	2	1,552,432	1,302,889
Trade & other receivables		11,032	14,694
Prepayments		–	2,198
Total current assets		**1,643,940**	**1,514,735**
Total assets		**1,643,940**	**1,514,735**
Current liabilities			
Trade & other payables		30,487	33,272
Revenue received in advance		10,000	20,379
Total current liabilities		**40,487**	**53,651**
Non-current liabilities			
Other		100,000	–
Total non-current liabilities		**100,000**	–
Total liabilities		**140,487**	**53,651**
Net assets		**1,503,453**	**1,461,084**
Equity			
Accumulated surplus		1,492,101	1,509,696
Reserves		11,352	(48,612)
Total equity		**1,503,453**	**1,461,084**

Notes to accounts

1. Donations:		
APA members	58,900	51,705
Australian Physiotherapy Association	140,000	140,000
Other	6,741	6,234
	205,641	**197,939**
2. Financial assets at the end of the year include:		
Term deposit—National Australia Bank	504,725	321,483
Managed fund—Mason Stevens Pty Ltd	–	3,658
Managed fund—JBWere	1,047,707	977,748
	1,552,432	**1,302,889**

The financial statements of The Physiotherapy Research Foundation were consolidated into the financial statements of the Australian Physiotherapy Association.